

Presiding Officer

**Case Citation: (2026) ibclaw.in 498 DRT**

**22.06.2026**

**22.06.2026**

IA.No.592/2026 stands disposed of, vide separate order. Notice of contempt is discharged. IA No.2440/2024 for condonation of delay is dismissed. Consequently, SA No.562/2024 is dismissed as barred by limitation.

Presiding Officer

**IBC Laws | [www.ibclaw.in](http://www.ibclaw.in)**

IN THE DEBTS RECOVERY TRIBUNAL - 1, KARNATAKA  
AT BENGALURU

PRESENT: SRI IMTIAZ ALI  
PRESIDING OFFICER

Dated the 22<sup>nd</sup> day of June, 2026

**INTERLOCUTORY APPLICATION NO.592 OF 2026**

**IN**

**SECURITISATION APPLICATION No.562 OF 2024**

Between

Jagadeesh Padmayya Jain,  
S/o Padmayya Jain,  
Aged about 52 years,  
Residing at Mavinkatte,  
Mavinathol Bengre,  
Bhatkal, Uttara Kannada,  
Karnataka-581421.

...Petitioner/Applicant

And

The Authorised Officer,  
Canara Bank,  
Sirsi Devikeri Branch,  
P B No.9, C P Bazar,  
Sirsi, Karnataka-581401.

..... Respondent/defendant

This Interlocutory Application having been heard on 08.04.2026 in the presence of Advocates M/s M Mohamed Ibrahim, Mohamed Ismail and Ehtesham Ibrahim for the petitioner/applicant, and Advocate Sri P Chithra Nirmala for the respondent/defendant, and stood over to this day for consideration, the Tribunal delivered the following: -

**ORDER**

The petitioner/applicant filed Interlocutory Application (IA) 592/2026 on 23.02.2026 under S.12 of the Contempt of the Courts Act r/w S.19 (17) & S.22 of the Recovery of Debts and Bankruptcy Act, 1993 r/w Rule 18 of the Debts Recovery Tribunal (Procedure) Rules, 1993 praying to pass necessary order to initiate contempt

proceedings against the respondent/defendant. The petitioner is none other than the applicant in the SA.

2. The case set out in the notary attested affidavit of the petitioner/applicant accompanying the IA in brief is as follows: - The respondent/defendant bank has obtained an order in Crl.Misc. No.60/2023 from the Principal Senior Civil Judge and CJM, Karwar. On 05.11.2024, on preliminary hearing of the above SA, this Tribunal directed the respondent/defendant bank to maintain status quo with regard to the schedule property. But the respondent/defendant bank has issued a demand notice dated 22.01.2026 under Section 13(2) of the SARFAESI Act without withdrawing the SARFAESI proceedings, which amounts to gross violation and wilful disobedience of the order dated 05.11.2024 passed by this Tribunal. Hence, the petitioner/applicant praying to initiate contempt proceedings against the respondent/defendant.

3. The respondent/defendant bank filed objection and stating that the loan account was transferred to the Asset Recovery Management Branch at Panaji, Goa. On receipt of the account, the said ARM Branch having no knowledge of the extension of the "order of status-quo" had initiated fresh process under the SARFAESI Act and had issued a demand notice. Immediately upon noticing the pendency of the present proceedings, the respondent/defendant bank has withdrawn the said demand notice dated 22.01.2026 and has not proceeded further. Hence, the question of contempt does not arise. Also the withdrawal notice published in the newspapers on 27.02.2026. Thereby, the petitioner/applicant is protected. On the above contention, the respondent/defendant prayed for dismissal of the application.

4. The only point arises for consideration is as to whether the petitioner/applicant is entitled to the relief prayed for?

5. The Point: - The petitioner/applicant has filed the present IA No.592 of 2026 under Section 12 of the Contempt of Courts Act read with Section 19(17) and 22 of the Recovery of Debts and Bankruptcy Act alleging violation of the interim order passed by this Tribunal directing the parties to maintain status-quo regarding possession of the secured asset.

6. The grievance of the applicant is that despite the subsistence of the said order, the respondent/defendant bank initiated fresh proceedings under the SARFAESI Act and issued a demand notice.

7. The respondent/defendant has filed its reply contending that the loan account was transferred to another branch, and upon receipt of the account, the newly designated Authorised Officer, being unaware of the pendency of the SA and the interim order passed by this Tribunal, inadvertently issued the demand notice. It is further submitted that immediately upon noticing the pendency of the proceedings and the status-quo order, the respondent/defendant withdrew the demand notice and also caused publication of the withdrawal in newspapers. The respondent/defendant has expressed regret and submitted that there was no intention to violate the order of this Tribunal.

8. Upon consideration of the pleadings and material on record, this Tribunal finds that the respondent/defendant has withdrawn the impugned demand notice immediately after becoming aware of the interim order and has taken co-ersive steps by publishing a withdrawal notice. No material has been placed on record to establish that the issuance of the demand notice was a deliberate, conscious or wilful act intended to overreach or defeat the order of this Tribunal.

9. Since wilful disobedience is an essential ingredient for invoking contempt jurisdiction and the facts of the present case do not disclose any deliberate or intentional violation, this Tribunal is not inclined to proceed further in the contempt petition.

10. However, the respondent/defendant bank and its officers are directed to exercise due diligence and ensure that all pending litigations and orders passed by the competent Courts/Tribunals are duly verified before initiating any further measures in respect of the secured asset.

11. Accordingly, The IA No.592 of 2026 stands disposed of. Notice of contempt is discharged. No order as to costs.

*[Dictated to my PS, transcribed by him, corrected and pronounced by me in the open Tribunal on this the 22<sup>nd</sup> day of June, 2026]*

22.6.26

[IMTIAZ ALI]  
PRESIDING OFFICER

IN THE DEBTS RECOVERY TRIBUNAL - 1,  
KARNATAKA AT BENGALURU

PRESENT: SRI IMTIAZ ALI  
PRESIDING OFFICER

Dated the 22<sup>nd</sup> day of June, 2026

**INTERLOCUTORY APPLICATION NO.592 OF 2026**

**IN**

**SECURITISATION APPLICATION No.562 OF 2024**

Between

Jagadeesh Padmayya Jain,  
S/o Padmayya Jain,  
Aged about 52 years,  
Residing at Mavinkatte,  
Mavinathol Bengre,  
Bhatkal, Uttara Kannada,  
Karnataka-581421.

...Petitioner/Applicant

And

The Authorised Officer,  
Canara Bank,  
Sirsi Devikeri Branch,  
P B No.9, C P Bazar,  
Sirsi, Karnataka-581401.

.... Respondent/defendant

**ORDER**

22.6.26

IN THE DEBTS RECOVERY TRIBUNAL - 1, KARNATAKA  
AT BENGALURU

PRESENT: SRI IMTIAZ ALI  
PRESIDING OFFICER

Dated the 22<sup>nd</sup> day of June, 2026

**INTERLOCUTORY APPLICATION NO.2440 OF 2024**  
**IN**  
**SECURITISATION APPLICATION No.562 OF 2024**

Between

Jagadeesh Padmayya Jain,  
S/o Padmayya Jain,  
Aged about 52 years,  
Residing at Mavinkatte,  
Mavinathol Bengre,  
Bhatkal, Uttara Kannada,  
Karnataka-581421.

...Petitioner/Applicant

And

The Authorised Officer,  
Canara Bank,  
Sirsi Devikeri Branch,  
P B No.9, C P Bazar,  
Sirsi, Karnataka-581401.

..... Respondent/defendant

This Interlocutory Application having been heard on 08.04.2026 in the presence of Advocates M/s M Mohamed Ibrahim, Mohamed Ismail and Ehtesham Ibrahim for the petitioner/applicant, and Advocate Sri P Chithra Nirmala for the respondent/defendant, and stood over to this day for consideration, the Tribunal delivered the following: -

**ORDER**

The petitioner/applicant filed Interlocutory Application (IA) 2440/2024 on 30.10.2024 under S.5 of the Limitation Act, 1963 praying to condone the delay of 226 days in filing the Securitisation Application (SA) No.562/2024 under S.17(1) of the Securitisation and Reconstruction of Financial Assets and Enforcement of Security

Interest Act, 2002 as amended from time to time – hereinafter referred to as ‘the Act’.

The petitioner is none other than the applicant in the SA.

2. The case set out in the notary attested affidavit of the petitioner/applicant accompanying the IA in brief is as follows: - The respondent/defendant bank has obtained an order in CrI.Misc. No.60/2023 from the Principal Senior Civil Judge and CJM, Karwar. On 23.10.2024 the respondent/defendant bank tried to take physical possession on the schedule property wherein he is residing along with his family. Further he had no knowledge regarding the issuance of notice by the respondent/defendant bank and order passed by the Principal Senior Civil Judge and CJM, Karwar. Therefore, there is no delay in the face of record. Hence, the petitioner/applicant praying to condone the delay of 226 days.

3. The respondent/defendant bank objected that the application is barred by limitation. S.17 of the SARFAESI ACT has specified a very specific period of 45 days for preferring an application against any of the measures taken by the respondent/defendant under S.13(4) of the SARFAESI Act. On the above contention, the respondent/defendant prayed for dismissal of the application.

4. The only point arises for consideration is as to whether the petitioner/applicant is entitled to the relief prayed for?

5. The Point: - The petitioner/applicant seeks condonation of delay in filing the SA challenging the order passed under Section 14 of the SARFAESI Act. The explanation offered is that knowledge of the impugned action was acquired only on 23.10.2024. The respondent/defendant bank has produced material indicating service of demand notice and possession notice upon the applicant. The record further discloses that the applicant had availed an OTS facility and deposited of ₹22 lakhs thereunder, which demonstrates his awareness of the recovery proceedings. No satisfactory explanation has

been furnished as to why the applicant remained unaware of the impugned proceedings for the intervening period. The explanation does not constitute sufficient cause for condonation of delay.

6. Accordingly, the IA No.2440 of 2024 for condonation of delay is dismissed.

7. Consequently, the SA No.562 of 2024 is dismissed as barred by limitation.

*[Dictated to my PS, transcribed by him, corrected and pronounced by me in the open Tribunal on this the 22<sup>nd</sup> day of June, 2026]*



[IMTIAZ ALI]  
PRESIDING OFFICER

IN THE DEBTS RECOVERY TRIBUNAL - 1,  
KARNATAKA AT BENGALURU

PRESENT: SRI IMTIAZ ALI  
PRESIDING OFFICER

Dated the 22<sup>nd</sup> day of June, 2026

**INTERLOCUTORY APPLICATION NO.2440 OF 2024**  
**IN**  
**SECURITISATION APPLICATION No.562 OF 2024**

Between

Jagadeesh Padmayya Jain,  
S/o Padmayya Jain,  
Aged about 52 years,  
Residing at Mavinkatte,  
Mavinathol Bengre,  
Bhatkal, Uttara Kannada,  
Karnataka-581421.

...Petitioner/Applicant

And

The Authorised Officer,  
Canara Bank,  
Sirsi Devikeri Branch,  
P B No.9, C P Bazar,  
Sirsi, Karnataka-581401.

.... Respondent/defendant

**ORDER**

22.6.26.